



## **Transmission Business Line (TBL)**

### **Business Practice**

#### **Modifications On A Firm Basis (Firm Redirects) For Point-To-Point Transmission Service, Revision 1**

Effective October 1, 2003

Posted September 23, 2003

This revision provides refinements and clarifications including: Paragraph 2 further refines the additional information needed in a Firm Redirect Request, and clarifies the form of short-term and long-term redirected reservations; and a sentence is added to Paragraph 3 regarding confirmation of partial service offers."

This document communicates Bonneville Power Administration Transmission Business Line (TBL) policies and practices for implementing section 22.2 of the OATT.

#### **Background:**

On April 9, 2001, September 13, 2001, December 21, 2001, and April 12, 2002, the Federal Energy Regulatory Commission (FERC) issued Orders clarifying Open Access Transmission Tariff (OATT) Section 22.2, "Modifications on a Firm Basis."

Section 22.2 in TBL's OATT states: "Any request by a Transmission Customer to modify Receipt and Delivery Points on a firm basis shall be treated as a new request for service in accordance with Section 17 hereof, except that such Transmission Customer shall not be obligated to pay any additional deposit if the capacity reservation does not exceed the amount reserved in the existing Service Agreement. While such new request is pending, the Transmission customer shall retain its priority for service at the existing firm Receipt and Delivery Points specified in its Service Agreement."

Requests for Modifications on a Firm Basis for service that does not exceed the amount reserved in the existing Service Agreement are referred to as Firm Redirect Requests.

#### **Criteria for Firm Redirects:**

The following criteria apply to long-term Firm Redirect Requests (one or more years) and will apply to short-term Firm Redirect Requests (greater than or equal to one day but less than one year) beginning September 25, 2003, for reservations beginning October 1, 2003.

Note: As used in this business practice, the term "original reservation" refers to the reservation from which service is being redirected.

1. Any request to redirect Firm PTP transmission service (Firm Redirect Request) will be treated in the same way as any other new request for Firm PTP service, except that the Transmission Customer shall not be obligated to pay any additional deposit.
2. A Transmission Customer submitting a Firm Redirect Request must follow all procedures applicable to new requests for transmission. *In addition*, the Transmission Customer must designate the Firm Redirect Request as a redirect

of existing Firm PTP service and must include: 1) the contract number covering the original reservation; 2) the AREF number of the original reservation; and 3) the Point of Receipt (POR) and Point of Delivery (POD) from which the customer wants service to be redirected.

Only one POR and one POD of the original long-term reservation may be decremented in any single Firm Redirect Request for short-term service. If a Transmission Customer wishes to decrement more than one POR and POD when redirecting long-term service to short-term service, it must submit multiple Firm Redirect Requests. If accepted, each Firm Redirect Request results in a new reservation, in addition to the decremented original reservation.

If the original reservation is long term and the Transmission Customer requests a long-term redirect, more than one POR and POD may be redirected in one Firm Redirect Request. If accepted, the original reservation is modified, creating a reservation that integrates the redirect service into the original service.

3. A Firm Redirect Request will receive a queue number based upon the date and time the application is submitted in the same manner as other requests for Firm PTP service. Firm Redirect Requests for short-term service must be submitted as "preconfirmed." The TBL will accept the Firm Redirect Request if there is sufficient Available Transfer Capability (ATC). The constrained path(s) the Firm Redirect Request crosses may be the same constrained path(s) from which the Transmission Customer is redirecting. If so, then the TBL will accept the Firm Redirect Request when the ATC made available because the customer is redirecting from the original POR(s) and/or POD(s), together with ATC otherwise available, is sufficient to grant the Firm Redirect Request. ATC will be considered "otherwise available" only if the Transmission Customer submitting the Firm Redirect Request would be awarded such ATC based on the TBL's procedures for granting new requests for firm PTP service.

If ATC is not available to fill the entire request but TBL is able to make a partial service offer, the Transmission Customer must confirm that it wants the offered capacity (even though the request was submitted as preconfirmed).

4. A Transmission Customer requesting a redirect of its Firm PTP service retains the rights to its original path until the Firm Redirect Request is confirmed and accepted (for short-term Firm Redirects) or the customer has executed the Statement of Specifications (for long-term Firm Redirects), at which point it relinquishes any right on the original path for the term and MW amount of the redirected service.
5. A Transmission Customer may redirect all or part of the Firm PTP reservation. That is, the Transmission Customer may redirect: 1) the entire capacity for the remaining term of its reservation; 2) the entire capacity for a portion of the remaining term; 3) a portion of the capacity for the remaining term; or 4) a portion of the capacity for a portion of the remaining term. The customer may change PORs, PODs, or both.
6. Transmission service over Network facilities may be redirected only to other Network points. Transmission service on the Southern Intertie (AC and DC lines) may be redirected only to other points on the Southern Intertie.

Transmission on the Montana Intertie may be redirected only to other points on the Montana Intertie.

7. Rates

- A. Short Term Redirected to Short Term—The firm redirect has no effect on the transmission charge, except as provided in section 7.E, Other Discounts.
- B. Long Term Redirected to Short Term—The transmission charge for the redirected service will be the short-term PTP service rates (section II.B.1.a and b of the PTP, IS, and IM rate schedules), which are based on the duration of the redirected service. The charge for the original reservation will be the rate for long-term firm PTP service, less a credit equal to the daily block 2 rate multiplied by the number of days of the firm redirect reservation. If service is redirected for the entire calendar month, there will be no charge for the original reservation for that month.

For example, assume the original reservation is for long-term service with one short-term firm redirect for seven days. The customer would be charged:

- (1) for the original reservation: the Long-Term Firm monthly rate less a credit equal to the daily block 2 rate times seven days; and
  - (2) for the firm redirect: five days at the daily block 1 rate plus two days at the daily block 2 rate.
- C. Long Term Redirected to Long Term—The firm redirect has no effect on the transmission charge, except as provided in section 7.D, Short-Distance Discount.
- D. Short-Distance Discount (SDD)
- (1) Short-term redirects:  
Short-term redirects are not eligible for the SDD. If the original long-term reservation qualifies for an SDD, the SDD will be applied to the original reservation after the firm redirect credit is subtracted. See 7.B, Long Term Redirected to Short Term.
  - (2) Long-term redirects:  
The redirect service will receive an SDD if it qualifies. See PTP rate schedule, section IV.G., Short-Distance Discount, for information on the SDD.
- E. Other Discounts (offered pursuant to GRSP Section II.F.) (applies to short-term transmission only; long-term transmission may not be discounted under BPA's current rate schedules).
- If either the original reservation or the firm redirect, or both, qualify for a discount, the service provided under the firm redirect reservation will be priced at the higher rate.
- F. Ancillary Service Rates

The rates for the two required Ancillary Services (Scheduling, System Control and Dispatch rate and Reactive Supply and Voltage Control From Generation Sources rate) will be applied in the same manner as the transmission rate. (Note that the rates for the two required Ancillary Services do not receive SDDs.) The other Ancillary Service rates will be applied according to their terms.

8. During the term of the redirected service, transmission service may be further redirected to other points following the steps in paragraph 2 above. However, in the case of long-term firm redirects, a customer may not request further redirect service from the redirected points until it has executed the Statement of Specifications for the firm redirect service. In the case of short-term firm redirects, a customer may not request further redirect service from the redirected points until the first request to redirect is accepted and confirmed.
9. A Transmission Customer whose contract includes a reservation priority pursuant to section 2.2 of the OATT and who redirects its transmission service retains its reservation priority on the original PORs and PODs. The Transmission Customer has no reservation priority on the redirected PORs and PODs.
10. A Transmission Customer whose contract includes a reservation priority pursuant to section 2.2 of the OATT may request a Firm Redirect that exceeds the term of the original service. Before requesting the redirected service, the Transmission Customer must first have exercised its reservation priority under section 2.2 of the OATT on the original path and either 1) have a confirmed reservation for follow-on service (in the case of a request for short-term service), or 2) executed an agreement for the follow-on service (in the case of a request for long-term service).
11. TBL will not accept Firm Redirect Requests for hourly Firm PTP transmission service.